
From: Steve Witcher [mailto:SWitcher@canonbank.com]
Sent: Friday, June 02, 2006 4:03 PM
To: ChangeInControl
Subject: Home Depot ILC

June 2, 2006

Federal Deposit Insurance Corporation
changeincontrol@fdic.gov

Gentlemen:

I am writing to oppose the application of Home Depot ILC, Inc., for Federal deposit insurance coverage for an ILC Charter in Utah. As a community banker I believe that allowing Home Depot to own a bank charter and potentially open branches in its network of stores would do irreparable harm to our community and banking institutions, and pose a severe risk to the nation's economy.

Having a large corporation in control of an Industrial Loan Company can cause harm to the Community Banks in areas that are served by Home Depot. Presently Home Depot does finance home improvements through their credit card. However, to have them offer home improvement loans to their customers will reduce the number of loans available to the Community Banks. Our Community Banks are a mainstay of the economy in our communities. This must not be allowed to happen.

The acquisition if approved would violate the long-standing policy of the separation of banking and commerce. As a result, it could pose a threat to the Deposit Insurance Fund. Our Congress has reaffirmed our nation's long standing policy against mixing banking and commerce and with good reason. Mixing banking and commerce would create serious conflicts of interest and distort credit decisions. The impartial allocation of credit is the key of our financial system and must be preserved.

If Home Depot was allowed to open a bank and then branch into Canon City, Colorado it would cause severe harm to the present banking establishments. All of the banking establishments would find it very difficult to compete as they do not have the capital that Home Depot has and would not have the built in base of customers to offer home improvement loans to. For the sake of the community banks in our nation and the customers of community banks that we serve, please do not allow Home Depot to get into the banking business. In order to promote fair competition and consumer choice please deny Home Depot application for deposit insurance.

Sincerely,
Stephen T. Witcher
Vice-President and Cashier